

<i>SERFF Tracking Number:</i>	<i>FFDC-125604646</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>American Automobile Insurance Company, ...</i>	<i>State Tracking Number:</i>	<i>EFT \$50</i>
<i>Company Tracking Number:</i>	<i>NARGL0308</i>		
<i>TOI:</i>	<i>05.2 Commercial Multi-Peril - Liability Portion</i>	<i>Sub-TOI:</i>	<i>05.2007 Other CMP</i>
	<i>Only</i>		
<i>Product Name:</i>	<i>Hospitality Abuse and Molestation Coverage Form Revision</i>		
<i>Project Name/Number:</i>	<i>Hospitality Abuse and Molestation Coverage Form Revision/NWGL0308</i>		

## Filing at a Glance

Companies: American Automobile Insurance Company, Associated Indemnity Corporation, Fireman's Fund Insurance Company, National Surety Corporation, The American Insurance Company

Product Name: Hospitality Abuse and Molestation Coverage Form Revision  
 SERFF Tr Num: FFDC-125604646 State: Arkansas

TOI: 05.2 Commercial Multi-Peril - Liability Portion Only  
 SERFF Status: Closed State Tr Num: EFT \$50

Sub-TOI: 05.2007 Other CMP  
 Co Tr Num: NARGL0308 State Status: Fees verified and received

Filing Type: Form  
 Co Status: Pending Reviewer(s): Betty Montesi, Edith Roberts, Brittany Yielding  
 Authors: Gina Bondanza, Hilary Cheda  
 Date Submitted: 04/11/2008 Disposition Date: 04/17/2008  
 Disposition Status: Approved

Effective Date Requested (New): 05/01/2008  
 Effective Date Requested (Renewal): 05/01/2008  
 Effective Date (New):  
 Effective Date (Renewal):

State Filing Description:

## General Information

Project Name: Hospitality Abuse and Molestation Coverage Form Revision

Project Number: NWGL0308

Reference Organization:

Reference Title:

Filing Status Changed: 04/17/2008

State Status Changed: 04/17/2008

Corresponding Filing Tracking Number:

Filing Description:

Dear Sir or Madam:

Status of Filing in Domicile:

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

SERFF Tracking Number: FFDC-125604646 State: Arkansas  
 First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50  
 Company Tracking Number: NARGLO308  
 TOI: 05.2 Commercial Multi-Peril - Liability Portion Sub-TOI: 05.2007 Other CMP  
 Only  
 Product Name: Hospitality Abuse and Molestation Coverage Form Revision  
 Project Name/Number: Hospitality Abuse and Molestation Coverage Form Revision/NWGL0308

We are filing an update for our Hospitality Abuse and Molestation (Defense Within Limits) coverage form CG 72 56, previously approved in your state. The coverage has been expanded to provide coverage for all individuals, not just minors under the age of 18, which was a restriction in the previous edition. Otherwise, all terms and conditions of the coverage remain unchanged.

This is a form filing only.

Enclosed in support of this filing of:

„X Hospitality Abuse and Molestation (Defense Within Limits), CG 72 56 03 08 (which prior edition 01 06 approved under Company filing number NALGL0905PK;  
 „X Marked Copy CG 72 56, which denotes changes between ed 03 08 and 01 06 forms; and  
 „X State Specifics Filing Documents

We look forward to the Department's acknowledgement of this filing to become effective May 1, 2008.

## Company and Contact

### Filing Contact Information

Hilary Cheda,  
 777 San Marin Drive  
 Novato, CA 94998  
 hcheda@ffic.com  
 (415) 899-6968 [Phone]  
 (866) 290-0671[FAX]

### Filing Company Information

American Automobile Insurance Company	CoCode: 21849	State of Domicile: Missouri
777 San Marin Drive	Group Code: 761	Company Type:
Novato, CA 94998	Group Name:	State ID Number:
(415) 899-2817 ext. [Phone]	FEIN Number: 22-1608585	

Associated Indemnity Corporation	CoCode: 21865	State of Domicile: California
777 San Marin Drive	Group Code: 761	Company Type:
Novato, CA 94998	Group Name:	State ID Number:
(415) 899-2817 ext. [Phone]	FEIN Number: 22-1708002	

SERFF Tracking Number: FFDC-125604646 State: Arkansas  
First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50  
Company Tracking Number: NARGL0308  
TOI: 05.2 Commercial Multi-Peril - Liability Portion Sub-TOI: 05.2007 Other CMP  
Only  
Product Name: Hospitality Abuse and Molestation Coverage Form Revision  
Project Name/Number: Hospitality Abuse and Molestation Coverage Form Revision/NWGL0308

Fireman's Fund Insurance Company CoCode: 21873 State of Domicile: California  
777 San Marin Drive Group Code: 761 Company Type:  
Novato, CA 94998 Group Name: State ID Number:  
(415) 899-3290 ext. [Phone] FEIN Number: 94-1610280

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National Surety Corporation CoCode: 21881 State of Domicile: Illinois  
777 San Marin Drive Group Code: 761 Company Type:  
Novato, CA 94998 Group Name: State ID Number:  
(415) 899-2817 ext. [Phone] FEIN Number: 36-2704643

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The American Insurance Company CoCode: 21857 State of Domicile: Nebraska  
777 San Marin Drive Group Code: 761 Company Type:  
Novato, CA 94998 Group Name: State ID Number:  
(415) 899-2817 ext. [Phone] FEIN Number: 22-0731810

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SERFF Tracking Number: FFDC-125604646 State: Arkansas

First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50

Company Tracking Number: NARGL0308

TOI: 05.2 Commercial Multi-Peril - Liability Portion Sub-TOI: 05.2007 Other CMP  
Only

Product Name: Hospitality Abuse and Molestation Coverage Form Revision

Project Name/Number: Hospitality Abuse and Molestation Coverage Form Revision/NWGL0308

## Filing Fees

Fee Required? Yes

Fee Amount: \$50.00

Retaliatory? Yes

Fee Explanation: MO = \$50.00

Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
American Automobile Insurance Company	\$50.00	04/11/2008	19502962
Associated Indemnity Corporation	\$0.00	04/11/2008	
Fireman's Fund Insurance Company	\$0.00	04/11/2008	
National Surety Corporation	\$0.00	04/11/2008	
The American Insurance Company	\$0.00	04/11/2008	

SERFF Tracking Number:	FFDC-125604646	State:	Arkansas
First Filing Company:	American Automobile Insurance Company, ...	State Tracking Number:	EFT \$50
Company Tracking Number:	NARGL0308		
TOI:	05.2 Commercial Multi-Peril - Liability Portion Only	Sub-TOI:	05.2007 Other CMP
Product Name:	Hospitality Abuse and Molestation Coverage Form Revision		
Project Name/Number:	Hospitality Abuse and Molestation Coverage Form Revision/NWGL0308		

## Correspondence Summary

## Dispositions

Status	Created By	Created On	Date Submitted
Approved	Edith Roberts	04/17/2008	04/17/2008

<i>SERFF Tracking Number:</i>	<i>FFDC-125604646</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>American Automobile Insurance Company, ...</i>	<i>State Tracking Number:</i>	<i>EFT \$50</i>
<i>Company Tracking Number:</i>	<i>NARGL0308</i>		
<i>TOI:</i>	<i>05.2 Commercial Multi-Peril - Liability Portion</i>	<i>Sub-TOI:</i>	<i>05.2007 Other CMP</i>
	<i>Only</i>		
<i>Product Name:</i>	<i>Hospitality Abuse and Molestation Coverage Form Revision</i>		
<i>Project Name/Number:</i>	<i>Hospitality Abuse and Molestation Coverage Form Revision/NWGL0308</i>		

## Disposition

Disposition Date: 04/17/2008

Effective Date (New):

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

### Overall Rate Information for Multiple Company Filings

<b>Overall Percentage Rate Indicated For This Filing</b>	0.000%
<b>Overall Percentage Rate Impact For This Filing</b>	0.000%
<b>Effect of Rate Filing-Written Premium Change For This Program</b>	\$0
<b>Effect of Rate Filing - Number of Policyholders Affected</b>	0

SERFF Tracking Number: FFDC-125604646 State: Arkansas

First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50

Company Tracking Number: NARGL0308

TOI: 05.2 Commercial Multi-Peril - Liability Portion Sub-TOI: 05.2007 Other CMP Only

Product Name: Hospitality Abuse and Molestation Coverage Form Revision

Project Name/Number: Hospitality Abuse and Molestation Coverage Form Revision/NWGL0308

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Marked Copy	Approved	Yes
Supporting Document	NAIC Forms Transmittal	Approved	Yes
Form	Hospitality Abuse and Molestation (Defense Within Limits)	Approved	Yes

SERFF Tracking Number: FFDC-125604646 State: Arkansas

First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50

Company Tracking Number: NARGL0308

TOI: 05.2 Commercial Multi-Peril - Liability Portion Sub-TOI: 05.2007 Other CMP Only

Product Name: Hospitality Abuse and Molestation Coverage Form Revision

Project Name/Number: Hospitality Abuse and Molestation Coverage Form Revision/NWGL0308

## Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Hospitality Abuse and Molestation (Defense Within Limits)	CG 72 55	03 08	Endorsement/Amendment/Conditions	New		CG 72 55 03 08.pdf



# Hospitality Abuse and Molestation – CG 72 55 03 08

Policy Amendment(s) Commercial General Liability Coverage Form

**Any coverage provided by this policy applicable to liability arising from sexual misconduct or physical abuse is provided solely by this form.**

Read this endorsement very carefully to determine rights, duties and what is and is not covered.

We agree with you as follows:

**Section I - Coverages** is amended to include the following changes:

**Coverage A. Bodily Injury and Property Damage Liability** of the COMMERCIAL GENERAL LIABILITY COVERAGE FORM is modified by adding the following exclusion:

Any claim or **suit** based on or arising out of any actual or alleged acts of **sexual misconduct** or **physical abuse**.

**Coverage B. Personal and Advertising Injury Liability** of the COMMERCIAL GENERAL LIABILITY COVERAGE FORM is modified by adding the following exclusion:

Any claim or **suit** based on or arising out of any actual or alleged acts of **sexual misconduct** or **physical abuse**.

We have no right or duty under Coverage A. or Coverage B. to defend against any claim or **suit** arising out of any acts of **sexual misconduct** or **physical abuse**.

**Coverage D. Hospitality Abuse or Molestation Coverage** is added to the COMMERCIAL GENERAL LIABILITY COVERAGE FORM by the following:

## 1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages arising out of **sexual misconduct** or **physical abuse** of an individual in your care or while they are participating in activities or receiving services on your premises, due to your:

- (1) vicarious liability for, or
- (2) negligent employment, supervision or retention of

your **employee** or other person or entity for whose acts you may be legally liable provided that,

(a) the first such act of **sexual misconduct** or **physical abuse** was committed in the **coverage territory** after the effective date of this endorsement and during the policy period;

(b) the **sexual misconduct** or **physical abuse** was committed without your knowledge or participation; and

(c) you notified the appropriate parties as soon as possible upon becoming aware of the **sexual misconduct** or **physical abuse**.

- b. Damages which arise out of a single act, or any series of related acts of **sexual misconduct** or **physical abuse** against any one person including any breach of duty allowing or contributing to such act(s) will be considered a single act. The date of the act shall be deemed to be the date of the first act of **sexual misconduct** or **physical abuse**. If the date of the act precedes the effective date of this coverage, then any liability

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

CG7255 3-08

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arising from the act (or series of related acts) is not covered by this coverage form.

- c. We will have the right and duty to defend any **suit** seeking those damages and defend any insured until a judgment or other final adjudication by a court, jury or arbitrator identifies the person(s) responsible for the damages. However, we have no duty to defend any insured against any claim or **suit** seeking damages for **sexual misconduct** or **physical abuse** to which this insurance does not apply.
- d. We may at our discretion investigate any act of **sexual misconduct** or **physical abuse** and settle any claim or **suit** that may result. But:

(1) The amount we will pay for damages is limited as described in Limits Of Insurance (Section III); and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in payment of damages, judgments or settlements under this endorsement.

## 2. Exclusions

- a. This insurance does not apply to:
  - (1) **Sexual misconduct** or **physical abuse** expected or intended from the standpoint of the insured.
  - (2) Any person who participates in, condones, or ratifies any act of **sexual misconduct** or **physical abuse**.
  - (3) The cost of defense of, or any cost of paying fines or penalties for any insured resulting from violations of a criminal or penal statute.
  - (4) Any obligation of the insured under a workers' compensation, disability benefits or any similar law.
  - (5) **Sexual misconduct** or **physical abuse** claims or **suits** for which the insured is

obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

- (6) **Sexual misconduct** or **physical abuse** claims or **suits** by:

(a) Any current, former or prospective **employee** of the insured, or any current, former or prospective **volunteer workers** arising out of and in the course of employment by the insured or performing duties related to the conduct of your business; or

(b) The spouse, child, parent, brother, sister of that **employee** or **volunteer worker** as a consequence of (a) above.

This exclusion applies:

(a) Whether the insured may be liable as an employer or in any other capacity; and

(b) To any obligation to share damages with or repay someone else who must pay damages because of **sexual misconduct** or **physical abuse**.

**Section II – Who Is An Insured** of the COMMERCIAL GENERAL LIABILITY COVERAGE FORM is amended as follows, but only with respect to Coverage D:

Paragraph 2. is deleted in its entirety.

Paragraph 3. d. is added as follows:

d. Coverage D does not apply to any claim or **suit** based on or arising out of any actual or alleged acts of **sexual misconduct** or **physical abuse** if the first such act of **sexual misconduct** or **physical abuse** was committed before you acquired or formed the organization.

**Section III - Limits of Insurance**, Paragraph 2. of the COMMERCIAL GENERAL LIABILITY COVERAGE FORM is replaced with:

2. The General Aggregate Limit is the most we will pay for the sum of:
  - a. Medical expenses under Coverage C;
  - b. Damages under Coverage A, except damages because of **bodily injury** or **property damage** included in the **products-completed operations hazard**;
  - c. Damages under Coverage B; and
  - d. Damages under Coverage D.

The policy period for this policy of insurance may be comprised of more than one consecutive annual period. However, whether or not this policy of insurance applies to more than one consecutive annual policy period, the most we will pay for all damages arising out of all acts of **sexual misconduct** or **physical abuse** during one annual policy period is the aggregate limit of insurance available under that one annual policy period. This provision applies even if the damages arising from acts of **sexual misconduct** or **physical abuse** during one annual period continues into subsequent annual periods.

**Section III - Limits of Insurance** of the COMMERCIAL GENERAL LIABILITY COVERAGE FORM is amended to add the following limits for **Coverage D. Hospitality Abuse and Molestation Coverage**:

8. Subject to Paragraph 2., the most we will pay under **Coverage D. Hospitality Abuse and Molestation Coverage**, for damages arising out of **sexual misconduct** or **physical abuse** is \$1,000,000 for all acts of **sexual misconduct** or **physical abuse**. Each payment we make for damages will reduce the limit of insurance under Coverage D. When our payments equal this limit of insurance under Coverage D., we will have no further duty to defend, nor have an obligation to pay damages

for a claim or **suit** seeking damages under this coverage part.

**Section V - Definitions**, of the COMMERCIAL GENERAL LIABILITY COVERAGE FORM is amended to include the following:

**Sexual Misconduct** means:

Any act or any series of related acts or behavior, or any physical contact or touching which attempts or culminates in any sexual conduct or sexual exploitation which leads to a claim(s), or **suit(s)** being brought against any insured.

For purposes of this definition, sexual conduct includes, but is not limited to, any act with the intent of arousing, appealing to, or gratifying the lust, passions, or sexual desires of any person.

For purposes of this definition, sexual exploitation includes, but is not limited to, the taking of, development, duplication, printing, or exchanging any film, photographs, videotapes, or slides of any person with the intent of arousing, appealing to, or gratifying the lust, passions, or sexual desires of another person.

**Physical abuse** means:

Any act or series of related acts or behavior consisting of improper or rough treatment of an individual, including, but not limited to, striking, pushing, pulling, squeezing, or shaking.

All other terms and conditions of the policy apply.

<i>SERFF Tracking Number:</i>	<i>FFDC-125604646</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>American Automobile Insurance Company, ...</i>	<i>State Tracking Number:</i>	<i>EFT \$50</i>
<i>Company Tracking Number:</i>	<i>NARGL0308</i>		
<i>TOI:</i>	<i>05.2 Commercial Multi-Peril - Liability Portion</i>	<i>Sub-TOI:</i>	<i>05.2007 Other CMP</i>
	<i>Only</i>		
<i>Product Name:</i>	<i>Hospitality Abuse and Molestation Coverage Form Revision</i>		
<i>Project Name/Number:</i>	<i>Hospitality Abuse and Molestation Coverage Form Revision/NWGL0308</i>		

## Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: FFDC-125604646 State: Arkansas  
First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50  
Company Tracking Number: NARGL0308  
TOI: 05.2 Commercial Multi-Peril - Liability Portion Sub-TOI: 05.2007 Other CMP  
Only  
Product Name: Hospitality Abuse and Molestation Coverage Form Revision  
Project Name/Number: Hospitality Abuse and Molestation Coverage Form Revision/NWGL0308

## Supporting Document Schedules

**Satisfied -Name:** Uniform Transmittal Document-Property & Casualty  
**Review Status:** Approved 04/17/2008  
**Comments:**  
**Attachment:**  
NARGL0308 arpctd-1.pdf

**Satisfied -Name:** Marked Copy  
**Review Status:** Approved 04/17/2008  
**Comments:**  
**Attachment:**  
CG 72 55Marked Copy.pdf

**Satisfied -Name:** NAIC Forms Transmittal  
**Review Status:** Approved 04/17/2008  
**Comments:**  
**Attachment:**  
Form Filing Transmittal.pdf

## Property & Casualty Transmittal Document

<b>1. Reserved for Insurance Dept. Use Only</b>	<b>2. Insurance Department Use only</b> a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">New Business</div> <div style="width: 55%;"></div> </div> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">Renewal Business</div> <div style="width: 55%;"></div> </div> f. State Filing #: g. SERFF Filing #: h. Subject Codes
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<b>3. Group Name</b>	<b>Group NAIC #</b>
Fireman's Fund Insurance Company	0761

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Fireman's Fund Insurance Company	California	21873	94-1610280	
The American Insurance Company	Nebraska	21857	22-0731810	
National Surety Corporation	Illinois	21881	36-2704643	
Associated Indemnity Corporation	California	21865	22-1708002	
American Automobile Insurance Company	Missouri	21849	22-1608585	

<b>5. Company Tracking Number</b>	<b>NARGL0308</b>
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**Contact Info of Filer(s) or Corporate Officer(s)** [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Hilary Cheda 777 San Marin Drive Novato, CA 94998	Regulatory Analyst	415.899.6968	866.290.0671	hcheda@ffic.com

7.	Signature of authorized filer	<i>Hilary Cheda</i>
8.	Please print name of authorized filer	Hilary Cheda

**Filing information** (see General Instructions for descriptions of these fields)

9.	Type of Insurance (TOI)	5.2
10.	Sub-Type of Insurance (Sub-TOI)	5.2000
11.	State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12.	Company Program Title (Marketing title)	
13.	Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14.	Effective Date(s) Requested	New:   05/01/2008      Renewal:   05/01/2008

## Property & Casualty Transmittal Document---

<b>15.</b>	<b>Reference Filing?</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
<b>16.</b>	<b>Reference Organization</b> (if applicable)			
<b>17.</b>	<b>Reference Organization # &amp; Title</b>			
<b>18.</b>	<b>Company's Date of Filing</b>	April 10		
<b>19.</b>	<b>Status of filing in domicile</b>	<input type="checkbox"/> Not Filed	<input checked="" type="checkbox"/> Pending	<input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

<b>20.</b>	<b>This filing transmittal is part of Company Tracking #</b>	NARGL0308
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<b>21.</b>	<b>Filing Description</b> [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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We are filing an update for our Hospitality Abuse and Molestation coverage form CG 72 55, previously approved in your state. The coverage has been expanded to provide coverage for all individuals, not just minors under the age of 18, which was a restriction in the previous edition. Otherwise, all terms and conditions of the coverage remain unchanged.

This is a form filing only.

Enclosed in support of this filing of:

- Hospitality Abuse and Molestation, CG 72 55 03 08 (which prior edition 01 06 approved under Company filing number NARGL0905PK, State Filing number: AR-PC-06-017899;
- Marked Copy CG 72 55, which denotes changes between ed 03 08 and 01 06 forms; and
- State Specifics Filing Documents

We look forward to the Department's acknowledgement of this filing to become effective May 1, 2008.

<b>22.</b>	<b>Filing Fees</b> (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
<div style="margin-bottom: 20px;"> <b>Check #:</b>  <b>Amount:</b> </div> <div> <b>Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</b> </div>	

\*\*\*Refer to each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)





## Hospitality Abuse and Molestation– CG 72 55 ~~01-06-03~~ 08

Policy Amendment(s) Commercial General Liability Coverage Form

Any coverage provided by this policy applicable to liability arising from sexual misconduct or physical abuse is provided solely by this form.

Read this endorsement very carefully to determine rights, duties and what is and is not covered.

We agree with you as follows:

**Section I - Coverages** is amended to include the following changes:

**Coverage A. Bodily Injury and Property Damage Liability** of the COMMERCIAL GENERAL LIABILITY COVERAGE FORM is modified by adding the following exclusion:

Any claim or **suit** based on or arising out of any actual or alleged acts of **sexual misconduct** or **physical abuse**.

**Coverage B. Personal and Advertising Injury Liability** of the COMMERCIAL GENERAL LIABILITY COVERAGE FORM is modified by adding the following exclusion:

Any claim or **suit** based on or arising out of any actual or alleged acts of **sexual misconduct** or **physical abuse**.

We have no right or duty under Coverage A. or Coverage B. to defend against any claim or **suit** arising out of any acts of **sexual misconduct** or **physical abuse**.

**Coverage D. Hospitality Abuse or Molestation Coverage** is added to the COMMERCIAL GENERAL LIABILITY COVERAGE FORM by the following:

### 1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages arising out of **sexual misconduct** or **physical abuse** of an individual ~~minors under the age of~~

~~18, while they are~~ in your care or while they are participating in activities or receiving services on your premises, due to your:

- (1) vicarious liability for, or
- (2) negligent employment, supervision or retention of

your **employee** or other person or entity for whose acts you may be legally liable provided that,

(a) the first such act of **sexual misconduct** or **physical abuse** was committed in the **coverage territory** after the effective date of this endorsement and during the policy period;

(b) the **sexual misconduct** or **physical abuse** was committed without your knowledge or participation; and

(c) you notified the appropriate parties as soon as possible upon becoming aware of the **sexual misconduct** or **physical abuse**.

- b. Damages which arise out of a single act, or any series of related acts of **sexual misconduct** or **physical abuse** against any one person including any breach of duty allowing or contributing to such act(s) will be considered a single act. The date of the act shall be deemed to be the date of the first act of **sexual misconduct** or **physical abuse**. If the date of the act precedes the effective date of this coverage, then any liability arising from the act (or series of related acts) is not covered by this coverage form.
- c. We will have the right and duty to defend any **suit** seeking those damages and defend any insured until a judgment or other final adjudication by a court, jury or arbitrator identifies the person(s) responsible for the

damages. However, we have no duty to defend any insured against any claim or **suit** seeking damages for **sexual misconduct** or **physical abuse** to which this insurance does not apply.

- d. We may at our discretion investigate any act of **sexual misconduct** or **physical abuse** and settle any claim or **suit** that may result. But:

(1) The amount we will pay for damages is limited as described in Limits Of Insurance (Section III); and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in payment of damages, judgments or settlements under this endorsement.

## 2. Exclusions

- a. This insurance does not apply to:

- (1) **Sexual misconduct** or **physical abuse** expected or intended from the standpoint of the insured.
- (2) Any person who participates in, condones, or ratifies any act of **sexual misconduct** or **physical abuse**.
- (3) The cost of defense of, or any cost of paying fines or penalties for any insured resulting from violations of a criminal or penal statute.
- (4) Any obligation of the insured under a workers' compensation, disability benefits or any similar law.
- (5) **Sexual misconduct** or **physical abuse** claims or **suits** for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

- (6) **Sexual misconduct** or **physical abuse** claims or **suits** by:

(a) Any current, former or prospective **employee** of the insured, or any current, former or prospective **volunteer workers** arising out of and in the course of employment by the insured or performing duties related to the conduct of your business; or

(b) The spouse, child, parent, brother, sister of that **employee** or **volunteer worker** as a consequence of (a) above.

This exclusion applies:

(a) Whether the insured may be liable as an employer or in any other capacity; and

(b) To any obligation to share damages with or repay someone else who must pay damages because of **sexual misconduct** or **physical abuse**.

**Section II – Who Is An Insured** of the COMMERCIAL GENERAL LIABILITY COVERAGE FORM is amended as follows, but only with respect to Coverage D:

Paragraph 2. is deleted in its entirety.

Paragraph 3. d. is added as follows:

d. Coverage D does not apply to any claim or **suit** based on or arising out of any actual or alleged acts of **sexual misconduct** or **physical abuse** if the first such act of **sexual misconduct** or **physical abuse** was committed before you acquired or formed the organization.

**Section III - Limits of Insurance**, Paragraph 2. of the COMMERCIAL GENERAL LIABILITY COVERAGE FORM is replaced with:

2. The General Aggregate Limit is the most we will pay for the sum of:

- a. Medical expenses under Coverage C;
- b. Damages under Coverage A, except damages because of **bodily injury** or **property damage** included in the **products-completed operations hazard**;
- c. Damages under Coverage B; and
- d. Damages under Coverage D.

The policy period for this policy of insurance may be comprised of more than one consecutive annual period. However, whether or not this policy of insurance applies to more than one consecutive annual policy period, the most we will pay for all damages arising out of all acts of **sexual misconduct** or **physical abuse** during one annual policy period is the aggregate limit of insurance available under that one annual policy period. This provision applies even if the damages arising from acts of **sexual misconduct** or **physical abuse** during one annual period continues into subsequent annual periods.

**Section III - Limits of Insurance** of the COMMERCIAL GENERAL LIABILITY COVERAGE FORM is amended to add the following limits for **Coverage D. Hospitality Abuse and Molestation Coverage**:

- 8. Subject to Paragraph 2., the most we will pay under **Coverage D. Hospitality Abuse and Molestation Coverage**, for damages arising out of **sexual misconduct** or **physical abuse** is \$1,000,000 for all acts of **sexual misconduct** or **physical abuse**. Each payment we make for damages will reduce the limit of insurance under Coverage D. When our payments equal this limit of insurance under Coverage D., we will have no further duty to defend, nor have an obligation to pay damages for a claim or **suit** seeking damages under this coverage part.

**Section V - Definitions**, of the COMMERCIAL GENERAL LIABILITY COVERAGE FORM is amended to include the following:

**Sexual Misconduct** means:

Any act or any series of related acts or behavior, or any physical contact or touching which attempts or culminates in any sexual conduct or sexual exploitation which leads to a claim(s), or **suit(s)** being brought against any insured.

For purposes of this definition, sexual conduct includes, but is not limited to, any act with the intent of arousing, appealing to, or gratifying the lust, passions, or sexual desires of any person.

For purposes of this definition, sexual exploitation includes, but is not limited to, the taking of, development, duplication, printing, or exchanging any film, photographs, videotapes, or slides of any person with the intent of arousing, appealing to, or gratifying the lust, passions, or sexual desires of another person.

**Physical abuse** means:

Any act or series of related acts or behavior consisting of improper or rough treatment of an individual, including, but not limited to, striking, pushing, pulling, squeezing, or shaking.

All other terms and conditions of the policy apply.

Effective January 1, 2006

## FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)  
(Do not refer to the body of the filing for the forms listing, unless allowed by state.)

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	NARGL0308			
<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> (Company tracking number of rate/rule filing, if applicable)				
<b>3.</b>	<b>Form Name /Description/Synopsis</b>	<b>Form # Include edition date</b>	<b>Replacement Or withdrawn?</b>	<b>If replacement, give form # it replaces</b>	<b>Previous state filing number, if required by state</b>
01	Hospitality Abuse & Molestation Coverage Form Revision	CG7255 03 08	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	CG7255 01 06	NARGL0905PK
02			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
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09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		